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**ANDRADE  
GUTIERREZ**



# **RELATIONSHIP WITH PUBLIC AUTHORITIES NORM**





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# #1

## INTRODUCTION

ANDRADE GUTIERREZ S.A., AND COMPANIES UNDER ITS DIRECT OR INDIRECT CONTROL, (“ANDRADE GUTIERREZ”) IS COMMITTED TO MAINTAIN THE HIGHEST STANDARD OF ETHICS, AND STRICT COMPLIANCE WITH APPLICABLE LAWS IN THE MARKETS WHERE IT OPERATES.

AMONG THE ADOPTED GUIDELINES TO ENSURE COMPLIANCE WITH THIS COMMITMENT, THE ANDRADE GUTIERREZ CODE OF ETHICS AND CONDUCT (“CODE”) PROVIDES THAT:

***It is expressly forbidden for any Associate to offer, promise or authorize, directly or through third parties, any undue advantage of any nature, whether in cash or any goods or service of value, to government officials, political parties and their members or any candidates for public office in Brazil or abroad; as well as their family and/or relatives or equivalent individuals, with the intention of obtaining benefit personally or for Andrade Gutierrez.***

This Government Relations Norm (“Norm”) has the purpose of supplementing the Code and establishing guidelines compatible with the principles of compliance, which must guide the ethical conduct of Associates in their relations with the government and with Brazilian or foreign Public Officials.

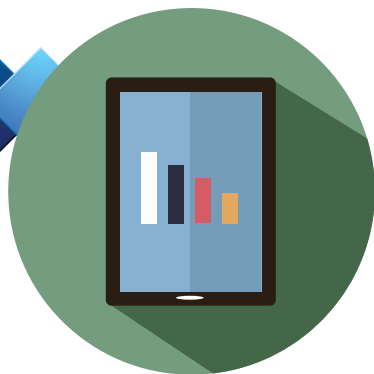
Strict compliance with this Norm will protect Andrade Gutierrez and its associates from criticisms, litigations or embarrassments that may result from real or alleged conflicts of interests or unethical practices.

Every associate must assume responsibility for the integrity of Andrade Gutierrez, by discussing its inquiries and by communicating promptly through his/her manager, the Hotline or the Ethics Committee regarding any improper solicitations or attempts of extortion by Public Officials, as well as any suspicions with respect to violation of the principles contained in this Norm or in the Code.

## #2

# DEFINITIONS

FOR THE PURPOSES OF THIS NORM, THE FOLLOWING ARE TAKEN IN CONSIDERATION:



- (i) Public Official:
  - (a) any Brazilian or foreign public servant, appointed or has passed the public examination, at any government level,
  - (b) any candidate for public office,
  - (c) political party leaders,
  - (d) persons in diplomatic posts and international organizations (such as Ex-Im Bank, OPIC and other international development institutions);
  - (e) employees of companies controlled directly or indirectly by national and international public entities; and
  - (f) any representative of such persons, which may include their family and/or relatives;
- (ii) Associates: all employees of Andrade Gutierrez, including executive board members, directors, workers, interns and apprentices; and
- (iii) Partners: any business partner of Andrade Gutierrez, including customers, suppliers, consortium companies or any other third parties.

## #3

# SCOPE

THIS NORM APPLIES TO ALL ASSOCIATES, WHO MUST EXERCISE THEIR FUNCTION TO ENSURE THAT THIS NORM IS APPLIED BY PARTNERS ACTING BEFORE PUBLIC AUTHORITIES, ON BEHALF OR ON THE INTEREST OF ANDRADE GUTIERREZ.



## #4

# RELATIONSHIP WITH PUBLIC AUTHORITIES NORM

ANDRADE GUTIERREZ PROHIBITS AND WILL NOT TOLERATE ANY ACTS OF CORRUPTION OR BRIBERY IN ITS RELATIONS WITH PUBLIC AUTHORITIES, INCLUDING THROUGH THIRD PARTIES. ACCORDING TO BRAZILIAN LAW, THE FOLLOWING CAN BE CLASSIFIED AS ACTS OF CORRUPTION OR BRIBERY OR CONTRARY TO PUBLIC INTEREST:

- (i) To promise, offer or give, directly or indirectly, undue advantage to public officials or third person related to them;
- (ii) To finance, reimburse, sponsor or support in any way unlawful acts against public interest;
- (iii) To use a third party physical or legal entity to conceal or disguise its real interests or the identity of the beneficiaries of the exercised acts;
- (iv) To frustrate, cheat, manipulate, prevent, disrupt or gain unfair advantage in relation to public tenders and contracts with the government, or to create a legal entity in a fraudulent or irregular manner so as to participate in such public tenders and contracts; and
- (v) To hamper investigations or supervisory activities of public agencies, entities or employees, or to intervene in their operation.

Some government relations offer greater compliance risks, given the prohibitions imposed by Brazilian and international laws. Such activities include:

- (i) Providing gratuities;
- (ii) Offerings of entertainment, hospitality, public/social image and accommodation;
- (iii) Participation in public tenders and government contracts;
- (iv) Political donations;
- (v) Sponsorship and philanthropic donations; and
- (vi) Third party mediated transactions.



Andrade Gutierrez is committed with the compliance of its business and with the prevention, monitoring and checking of any violation of the Code or of this Norm. The foregoing activity related guidelines are discussed with further detail in the sections below.

The following will be permitted, under any hypothesis, regardless of the value of the gratuity, entertainment, accommodation or hospitality:

- (i) Payments in cash or equivalent, for any reason;
- (ii) Offering of gratuities, entertainments or hospitality to families and/or relatives of public officials, or related third parties;
- (iii) Offering of gratuities, entertainments or hospitality without any commercial reason, commemorative event or specific purpose of announcement over and beyond the permitted legal limits.

Contractual agreements with Public Officials and / or their families and/or relatives to exercise positions that require relations with public agencies from where such public official or his/her family and/or relative come from, must be previously approved by the Director of the applicable department and its rationale sent so that the Ethics Committee may be made aware. Associates who are second-degree relatives of Public Officials of agencies with whom they have relations, must inform immediately their manager, who must take the necessary measures to prevent potential conflicts of interest.





## #4.1 GRATUITIES

SOLELY SOUVENIRS OR GIFTS WITH NO COMMERCIAL VALUE COULD BE GRANTED OR DISTRIBUTED AS FORM OF COURTESY, PROPAGANDA, USUAL ANNOUNCEMENT, ON ACCOUNT OF SPECIAL EVENTS OR COMMEMORATIVE DATES, OFFERED IN A DISPERSED WAY, WITH NO INTENTIONAL DESTINATION FOCUSED ON SPECIFIC AGENCIES OR AUTHORITIES, WHEREBY UNDER NO HYPOTHESIS GIFTS TO PUBLIC OFFICIALS COULD EXCEED BRL 100.00 (ONE HUNDRED REAIS) OR THE EQUIVALENT IN FOREIGN CURRENCY.

## #4.2 ENTERTAINMENT AND HOSPITALITY

ENTERTAINMENT AND HOSPITALITY MUST BE INTERPRETED AS ANY TYPE OF ADVANTAGE, INCLUDING SERVICES, FAVORS, DISCOUNTS, LOANS, AWARDS, IMPROVEMENT OR UPGRADE IN GOODS OR SERVICES, MEALS, TRANSPORTATION, TRIPS, LODGING, PARTIES, SHOWS, EVENTS, AMONG OTHERS.

Entertainment and hospitality of Public Officials are allowed in situations provided in contracts with public entities, as well as in conferences supported by the Andrade Gutierrez. As example, concession contracts, public-private partnership contracts and project contracts can provide for Andrade Gutierrez to assume supervision costs by the public official and, as consequence, Andrade Gutierrez may have to pay for airline tickets, hotels and meals related to the supervising activities.

Entertainment and hospitality for Public Officials for tourism purposes will not be allowed.

Entertainment and hospitality invitations can be used as occasion for discussion of matters of interest of Andrade Gutierrez and of the Public Official. With respect to business meals with the Public Official, they should be in accordance with the policies referring to meals of both parties; unnecessary expenses should be avoided, should be reasonable in value and in line with local customs.

## #4.3

# GOVERNMENT TENDERS AND CONTRACTS

BRAZILIAN LAW CONSIDERS AS CORRUPTION A SERIES OF ILLICIT ACTS COMMITTED WITHIN THE SCOPE OF TENDER AND CONTRACTING PROCESSES WITH THE GOVERNMENT. IN SOME CASES, PARTICIPATION OF THE PUBLIC OFFICIAL IS NOT EVEN REQUIRED, FOR THE ACT TO BE PUNISHABLE BY BRAZILIAN PUBLIC AUTHORITIES.

Therefore, the Associate should be aware that Brazilian law and Andrade Gutierrez prohibit any act for the purpose of:

- (i) Frustrating or defrauding, through adjustment, agreement or any other business, the competitive nature of the public tender procedure;
- (ii) Hampering, disturbing or defrauding the execution of any act of public tender procedure;
- (iii) Withdrawing or attempting to withdraw a bidder, through fraud or offering of advantage of any kind;
- (iv) Defrauding public tender or contract resulting from it;
- (v) Creating, fraudulently or irregularly, a legal entity to participate in public tender and to sign a government contract;
- (vi) Obtaining advantage or undue benefit, fraudulently, from modifications or extensions of contracts signed with the government, without no authorization by law, during the convocative act of the public tender or in the respective contractual instruments; and
- (vii) Manipulating or defrauding the economic-financial balance of contracts signed with the government.

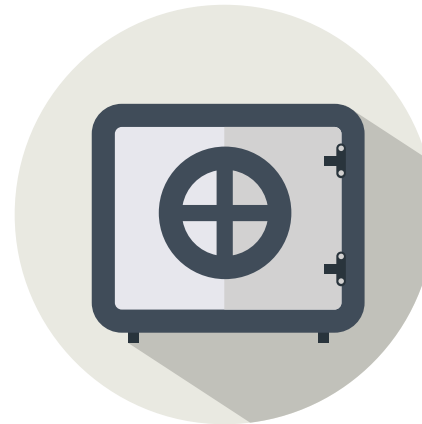


## #4.4

### **POLITICAL DONATIONS**

POLITICAL DONATIONS BY ANDRADE GUTIERREZ WILL BE LIMITED TO THE ELECTORAL CONTRIBUTIONS PERMITTED BY APPLICABLE BRAZILIAN OR INTERNATIONAL LAW AND SHOULD BE DULY APPROVED INTERNALLY, ACCORDING APPLICABLE COMPETENCES.

Andrade Gutierrez will only make political donations through bank transfer. Associates could make donations at their own resources, provided that the applicable legislation is observed and without any involvement from Andrade Gutierrez.





## #4.5

### SPONSORSHIPS

### AND PHILANTHROPIC DONATIONS

PROJECTS OF RENOWNED REPUTATION AND RESPECTABILITY, WHETHER EDUCATIONAL, SPORTS, CULTURAL OR PHILANTHROPIC, AS WELL AS SPONSORSHIPS OF ACTIVITIES WHOSE VALUES ARE COMPATIBLE WITH PRINCIPLES OF THE CODE, FORM PART OF THE COMMITMENT OF SOCIAL RESPONSIBILITY OF ANDRADE GUTIERREZ.

Associates responsible for sponsorships and philanthropic donations are prohibited from approving them to physical entities and must conduct all transfers of resources through bank transfers, appropriately registered in accounting and financially, under the terms of the Code.

In addition to the projects' technical requirements, the qualification process (due diligence) should require, minimally, for candidates to sponsorships or donations to submit, declare or demonstrate in writing to the Andrade Gutierrez:

- (i) Relevant experience in project modes that demand sponsorship or donation;
- (ii) Identification and summarized curriculum vitae of executive directors or persons responsible for the application of resources; and
- (iii) A statement that the institution is not controlled, directly or indirectly, by any public official, that the project will not employ and will not transfer resources directly or indirectly to public officials, their family and/or relatives or other related third parties.

In case of inquiries on any of the qualification requirements set forth in this Norm or in approved procedures based on it, the sponsorships and philanthropic donations could only be performed through prior approval, in writing, from the Ethics Committee.

## #4.6

# THIRD PARTY MEDIATED TRANSACTIONS

ASSOCIATES MUST EXERCISE THEIR FUNCTION TO ENSURE THAT PARTNERS COMPLY WITH THIS NORM BY ACTING AS INTERMEDIARIES (E.G., FORWARDERS, LAWYERS AND ENVIRONMENTAL CONSULTANTS) IN ACTS BEFORE THE GOVERNMENT, ON BEHALF OR ON THE INTEREST OF OF ANDRADE GUTIERREZ, ALWAYS IN ACCORDANCE WITH THE LOCAL LAW.



As provided in the Code, Andrade Gutierrez will only relate with Partners that:

- (i) adopt satisfactory practices of integrity and ethical conduct;
- (ii) comply with applicable law, in the development of its activities and achievement of their contractual commitments;
- (iii) maintain appropriate secrecy about confidential information that they may come to acquire due to the practiced activities for or together with Andrade Gutierrez. Andrade Gutierrez will not sign contractual commitments with partners declared and proven disreputable by the government.

To provide effectiveness to the selection, monitoring and supervision of Partners covered by this Norm, internal integrity processes and procedures must be prepared, adopted and reviewed periodically.

# #5

## PENALTIES

THE ASSOCIATE THAT COMMITS ANY VIOLATION OF THE NORM WILL BE SUBJECT TO SANCTION CORRESPONDING TO THE SEVERITY OF THE INFRACTION, INCLUDING WARNING, SUSPENSION AND DISMISSAL FOR JUST CAUSE, WITHOUT LOSS OF TOTAL REPAIR OF THE DAMAGES CAUSED AND COMMUNICATION OF THE ACT TO COMPETENT PUBLIC AUTHORITIES, ACCORDING TO THE CASE.

Crimes relative to fraud of disputes, committed against the government, including peddling of influence and corruption against national or international government, bear penalty of arrest or imprisonment for at least 6 months and a fine, whose unlawful conduct are summarized in the foregoing first paragraph of item 4 and item 4.3.



# #6

## FINAL PROVISIONS

POSSIBLE GAPS OR INQUIRIES IN RELATION TO THE NORM MUST BE CLARIFIED WITH THE MANAGERS THROUGH THE HOTLINE OR SOLVED THROUGH CONSULTATION WITH THE ETHICS COMMITTEE.

The documental, financial and accounting records related to the relations with the government must be maintained so that they can be checked and audited for a minimum period of 5 (five) years.



# COMMITMENT AGREEMENT

A N D R A D E G U T I E R R E Z G R O U P

I hereby declare that: (a) I have received, read and understood the **Andrade**  
**Gutierrez Government Relations Norm**; (b) I fully agree with the rules and guidelines  
contained therein; and (c) I assume the commitment to fully comply with it.

**Name:**

Board Member (  ) Associate (  ) Partner (  )

Individual Taxpayer Identification Number (CPF):  
\_\_\_\_\_

Federal Employer Identification Number (CNPJ):  
\_\_\_\_\_

Date:    /    /                      Signature: \_\_\_\_\_











